



**COSUMNES COMMUNITY SERVICES DISTRICT
ADMINISTRATIVE SERVICES DEPARTMENT**

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September 19, 2019

Honorable David De Alba, Presiding Judge
Sacramento County Superior Court
720 9th Street, Dept. 47
Sacramento, CA 95624

RE: Cosumnes Community Services District 2018-2019 Grand Jury Response

Dear Judge De Alba;

The Cosumnes Community Services District (“District”) is pleased to provide the following response to the recommendations from the 2018-2019 Sacramento County Grand Jury Final Report titled “Cosumnes Community Services District: why is Macdonald Park still unfinished?”

As stipulated in the 2018-2019 Sacramento County Grand Jury Final Report and Penal Code Sections 933 and 933.05, the Board of Directors of the Cosumnes Community Services District submits the following responses to the Grand Jury’s findings and recommendations:

FINDINGS

Finding F1: CCSD timely complied with the law that it commits the Camden Pointe Quimby fees within five years of their payment. It spent all of those fees for the construction of Phase 1 of MacDonald Park, and possibly for some other parks which would serve the Camden Pointe subdivision. CCSD has fulfilled its legal obligations with regard to those fees.

Response: The CCSD agrees with this finding.

Finding F2: CCSD timely complied with the law that it commits the Sheldon Estates II Quimby fees within five years of their collection. There is no time limit by which CCSD must spend the Sheldon Estates II Quimby fees to construct Phase 2 of MacDonald Park.

Response: The CCSD agrees with this finding.

Finding F3: CCSD residents are understandably frustrated that sixteen years after collecting the Sheldon Estates II Quimby fees, and thirteen years after committing to spend those fees to construct Phase 2 of MacDonald Park, CCSD still retains those fees. Residents do not have a clear understanding of the retention and use of those funds.

Response: The CCSD agrees with this finding and acknowledges that the collection and allocation of Quimby fees is a complex issue. The CCSD conducts substantial community outreach to educate the public on the development process, particularly with Phase 2 of McDonald Park, and will continue to provide educational seminars for the public on this topic.

Finding F4: CCSD makes a good faith effort to comply with the California Public Records Act.

Response: The CCSD agrees with this finding.

Finding F5: CCSD makes a good faith effort to keep adequate and appropriate District records to fulfill legal requirements.

Response: The CCSD agrees with this finding.

Finding F6: CCSD's records retention policy requires its records be safeguarded and adequately protected.

Response: The CCSD agrees with this finding.

RECOMMENDATIONS

Recommendation R1: CCSD should educate its residents about the requirements and discretions it has with regard to the Quimby fees which it collects. CCSD should have open discussions about Quimby fees and dedications with its constituents by June 30, 2020.

Response: This recommendation has not yet been implemented but will be implemented by June 30, 2020.

The CCSD provides monthly educational workshops for its constituents on park maintenance and Landscape and Lighting (L&L) fees. The CCSD is incorporating information about how Quimby fees are collected into this monthly educational workshop.

Recommendation R2: CCSD should inform its residents what CCSD intends to do with the Sheldon Estates II Quimby fees if the vote on the overlay district fails, at the first Board meeting following the vote.

Response: This recommendation will not be implemented because it is not warranted.

Sheldon Estates II Quimby fees are committed for the construction of Phase 2 of MacDonald Park. However, MacDonald Park has not yet been constructed because there were insufficient funds in the L&L benefit zone that overlays MacDonald Park and provides maintenance funding for the park.

On June 19, 2019, the CCSD Board conducted a public hearing to tabulate votes on a proposed special benefit assessment for a new benefit zone (Benefit Zone 19 Camden Estates & Camden Pointe Improvement District), which will overlay Benefit Zone 3 and provide additional funding for the maintenance of Phase 2 of MacDonald Park. The assessment received more than 50 percent of the weighted votes in favor and the Board subsequently adopted a resolution to begin the process of restoring landscape maintenance services and completing Phase 2 of MacDonald Park. Construction on Phase 2 of MacDonald Park is scheduled for August/September, 2020.

Recommendation R3: CCSD should establish an accounting system which specifically tracks each Quimby fee collected from a developer and how that money is spent. This should be by June 30, 2020.

Response: This recommendation has not yet been implemented but will be implemented by June 30, 2020.

CCSD records reflect that since 2006 the CCSD has prepared a five-year parks and recreation department capital improvement plan (CIP). The current five-year CIP for 2019-2024, which is attached hereto as Attachment "A," details the various funding sources for the CCSD's parks, including Quimby Act Fees (see pages 14 and 21). The CIP also provides a summary of all CCSD projects funded by Quimby Act Fees (see page 21) and the project description and budget for all pending or future park developments (see pages 37-72).

Currently, the CCSD tracks Quimby fees paid into each neighborhood, which aligns with the CCSD's L&L Benefit Zones. While the CCSD records when Quimby fees are collected from each developer, these fees are placed in the neighborhood account and that account is committed through the CIP.

The CCSD recently hired a Chief Administrative Officer, who will also serve as the CCSD's District Treasurer and Chief Financial Officer. His start date is anticipated to be October 23, 2019. One of his first responsibilities will be to analyze and further implement a process to achieve this recommendation R3. This process will include greater transparency of fees including the collected amount from each developer, the

defined purpose, expenditures, applicable park projects and a findings report, and will make this information available on the CCSD's website.

Recommendation R4: CCSD should make a good faith and thorough effort, by June 30, 2020, to identify and recreate the records of collected but unspent Quimby Act funds that were lost due to the 2015 fire and inform its constituents of that effort.

Response: This recommendation has been partially implemented and will be completed by June 30, 2020.

Regarding the CCSD's efforts to identify and recreate the records of collected but unspent Quimby Act funds that were lost in the 2015 fire, the CCSD hired Belfor Property Restoration, a restoration company, pursuant to an agreement dated February 20, 2015, to salvage and scan all physical documents recovered from the 2015 fire. There was significant water damage and many of the documents were potentially contaminated with Environmental Health and Safety (EHS) hazards. The contractor has completed salvaging and scanning as many documents as the CCSD could recover. All records are now digitally stored, including the salvaged documents.

Regarding the CCSD's efforts to inform its constituents of its efforts to identify and recreate records lost in the 2015 fire, the CCSD has an online public records act request form: <https://www.yourcsd.com/FormCenter/Board-of-Directors-4/Public-Records-Request-Form-44>. The CCSD will include information on this page notifying constituents that documents from before 2015 that were stored at the CCSD's administration building may not be available due to the 2015 fire.

Please do not hesitate to contact me at albiani@yourcsd.com if you have any questions.

Sincerely,



Gil Albiani
Board President

cc: Becky Castaneda, Grand Jury Coordinator: castanb@saccourt.com